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SOUTHERN INYO HEALTHCARE DISTRICT

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

FRESNO DIVISION

In re
3 SOUTHERN INYO HEALTHCARE
4 DISTRICT,
5 Debtor

Case No.: 2016-10015 FEC

Chapter 9

**ORDER GRANTING IN PART
EMERGENCY MOTION (1) FOR
AUTHORITY TO IMMEDIATELY
TERMINATE HCCA MANAGEMENT
AGREEMENT OR, IN THE
ALTERNATIVE, FOR AUTHORITY TO
MODIFY THE TERMS OF THE HCCA
MANAGEMENT AGREEMENT IN
ORDER TO DESIGNATE THE BOARD
AS THE SOLE SIGNATORY ON ALL
DISTRICT BANK ACCOUNTS AND (2)
TO CONTINUE HEARING ON SECOND
AMENDED DISCLOSURE STATEMENT
AND ASSOCIATED FILING DEADLINES**

Hearing:

Date: October 17, 2017

Time: 2:00 p.m.

Place: Dept. A, Ctrm. 11
U.S. Bankruptcy Court
2500 Tulare Street
Fresno, CA 93721

1 The *Emergency Motion (1) for Authority to Immediately Terminate HCCA Management*
2 *Agreement or, in the Alternative, for Authority to Modify the Terms of the HCCA Management*
3 *Agreement in Order to Designate the Board as the Sole Signatory on all District Bank Accounts*
4 *and (2) to Continue Hearing on Second Amended Disclosure Statement and Associated Filing*
5 *Deadlines* (the “Motion”) [Docket Entry (“D.E.”) 325] filed by the Southern Inyo Healthcare
6 District (the “District”), the debtor in the above-captioned bankruptcy case, came on for hearing
7 on October 17, 2017, at 2:00 p.m. Appearances were made as stated on the record.

8 Having reviewed and considered the Motion and arguments presented during the hearing
9 on the same, finding notice of the Motion due and proper, and finding good and adequate cause
10 therefor,

11 **IT IS HEREBY ORDERED** that the Motion is GRANTED IN PART;

12 **IT IS FURTHER ORDERED** that the Debtor is authorized and directed to remove
13 Healthcare Conglomerates Associates, LLC (“HCCA”) as a signatory from any and all bank
14 accounts containing District funds;

15 **IT IS FURTHER ORDERED** that the hearing on the Motion is continued to November
16 8, 2017 at 11:00 a.m., in the United States Bankruptcy Court for the Eastern District of California
17 located at 510 19th Street, Second Floor, Bakersfield, California;

18 **IT IS FURTHER ORDERED** that on or before October 25, 2017, the Debtor shall file a
19 supplemental brief in support of the Motion addressing, among other issues, whether the
20 Management Agreement constitutes an executory contract within the meaning 11 U.S.C. § 365;

21 **IT IS FURTHER ORDERED** that the status conference in the Bankruptcy Case is
22 continued to November 8, 2017 at 11:00 a.m., in the United States Bankruptcy Court for the
23 Eastern District of California located at 510 19th Street, Second Floor, Bakersfield, California;

24 **IT IS FURTHER ORDERED** that ~~any and all hearings and deadlines related to the~~
25 ~~proposal of a plan for the adjustment of debts and/or associated disclosure statement, including~~
26 ~~WITHOUT LIMITATION,~~ the hearing and deadlines set by the Civil Minute Order dated September 13,
27 2017 [D.E. 322], are VACATED; and

IT IS FURTHER ORDERED that no later than October 23, 2017, the Debtor shall serve a copy of this order on all interested parties via U.S. Mail, postage prepaid, pursuant to Fed. R. Bankr. P. 7004.

IT IS SO ORDERED.

Dated: Oct 23, 2017

Fredrick E. Clement
United States Bankruptcy Judge

BAKER & HOSTETLER LLP
ATTORNEYS AT LAW
LOS ANGELES